Pathways Project

Via Email: Andrew.Clarke@iaac-aeic.gc.ca

September 21, 2026

Impact Assessment Agency of Canada
Prairie and Northern Region
Canada Place, 1145 – 9700 Jasper Avenue
Edmonton, AB T5J 4C3

Attention: Andy Clarke, Project Manager, Prairie and Northern Region

Dear Mr. Clarke,

Re: Pathways Update on Response to IAAC's Information Request regarding Designation Request for the Proposed Pathways CO_2 Transportation Network and Storage Hub[1]

Our last update was provided November 18, 2025, to the Impact Assessment Agency of Canada's (**IAAC**) and three of the Treaty 6 First Nations (Beaver Lake Cree Nation, Frog Lake First Nations, and Whitefish (Goodfish) Lake First Nation #128) that initiated the designation request.

Pathways is providing the following update on the response to the IAAC information requests (**Information Request**) and the resumption of the *Impact Assessment Act* section 9 designation request process, following the trilateral Memorandum of Understanding involving the Pathways Project (the **Trilateral MOU**) signed by Canada, Alberta, and the Oil Sands Alliance member companies in July 2026.

Trilateral MOU

The Trilateral MOU contains the following regarding the Pathways Project:

- Alberta's agreement, subject to applicable approval processes, to issue a carbon sequestration agreement for the Pathways Project (the **CSA**) consistent with the Pathways Project and plans.
- A recognition that the Pathways Project is predominately within provincial jurisdiction.
- A recognition that Canada and Alberta are committed to respecting the rights recognized and affirmed by section 35 of the *Constitution Act, 1982*, and that Pathways has been actively consulting with Indigenous peoples since 2023 for the Pathways Project.

The Trilateral MOU contemplates the development of "Definitive Agreements" to address, among other things, the above with target signings by November 15, 2026.

[1] For the purposes of the regulatory applications for the proposed Pathways CO_2 Transportation Network and Storage Hub all permits, licenses, filings, orders, and approvals shall be applied for and, if approved, be in the name of Canadian Natural Resources Limited, as the proponent on behalf of Canadian Natural, Cenovus Energy Inc., ConocoPhillips Canada Resources Corp., Imperial Oil Resources Limited, and Suncor Energy Inc. Throughout this letter, the term "**Pathways**" will mean Canadian Natural acting as the proponent on behalf of Canadian Natural, Cenovus, ConocoPhillips Canada, Imperial, and Suncor, and the term "**Pathways Project**" or "**Project**" will mean the Pathways CO_2 Transportation Network and Storage Hub Project.

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Carbon Sequestration Agreement

As detailed in our prior correspondence dated March 4, 2025, and November 18, 2025, a principal reason for Pathways' suspension request is that the CSA has not been completed for the Project by the Government of Alberta.

Under Alberta's legislative and regulatory framework, CO_2 sequestration cannot commence without:

(a) A completed CSA (i.e. the right to inject CO_2 within a given underground formation);
(b) Alberta Energy Regulator (**AER**) approval for a CO_2 sequestration under Directive 065; and
(c) applicable operational permits and authorizations from the AER.

Without the CSA, Pathways is unable to (a) finalize the technical details for the Storage Hub component of the Project, (b) complete or file its Directive 065 submission for the Storage Hub with the AER, both of which must reflect the specific rights granted under the CSA, including associated AER or government-imposed requirements, if any.

It is therefore not possible for Pathways to provide IAAC with information that is accurate, and complete in respect of the Storage Hub until the CSA has been completed. Even then, and as explained more fully below, the information Pathways can provide IAAC – in advance of a finalized Directive 065 submission which must be consistent with a completed CSA – will be general in nature only.

That said, while not having a completed CSA prevents Pathways from finalizing the detailed technical information related to the Project, it has not prevented Pathways from proceeding with engagement with Indigenous peoples and other stakeholders about the fundamental principles of CO_2 storage within the proposed Storage Hub location of the Project, including with the Indigenous groups that filed the designation request.

Provincial Regulatory Processes

Pathways has submitted the majority of the pipeline agreement (PLA) applications under the *Public Lands Act* to the AER to acquire land rights to certain rights-of way with respect to the Pathways CO_2 Transportation Network. Certain PLA applications remain to be filed. To re-iterate, Pathways has not filed a Directive 056 license application for the pipelines within the Pathways CO_2 Transportation Network or filed a Directive 065 application for the storage of CO_2.

Pathways' remains of the view that the Pathways Project does not require designation under the Impact Assessment Act. This view is grounded in the fact that effective and established regulatory processes, including strict requirements and regulatory oversight are in place for all stages of the Pathways Project to safeguard health and safety, protect the environment, and reduce potential impacts to the rights of Indigenous peoples.

Update on Consultation and Engagement

Pathways is continuing to consult and engage with the Nations[2] who initiated the designation request, and other Indigenous groups on the Pathways Project in accordance with provincial requirements.

[2] Designation requests have been received from Beaver Lake Cree Nation, Frog Lake First Nations, Cold Lake First Nations, Whitefish (Goodfish) Lake First Nation, Heart Lake First Nation, Kehewin Cree Nation, Saddle Lake Cree Nation, Onion Lake Cree Nation, Mikisew Cree First Nation, Fort Chipewyan Métis Association, Fort McKay Métis Nation & Athabasca Chipewyan First Nation.

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At this time, consultation and engagement activities are primarily in relation to the routing proposed for the Pathways CO_2 Transportation Network in alignment with the scope of the PLA applications that have been filed to date. Following the implementation of agreed to workplans between Pathways and Indigenous groups, over 20 Indigenous groups have prepared and shared Traditional Land Use (**TLU**)/Indigenous Knowledge (**IK**) information.

The TLU / IK information provided to date has identified general concerns with development in the area, as well as some Project-based concerns. Pathways has worked with Indigenous groups to clarify, address and/or mitigate these concerns and are committed to ongoing engagement with Indigenous groups as additional regulatory applications are prepared and filed.

Further, since 2022, Pathways has provided tours, information sessions, fact sheets, and meetings with technical experts to discuss feedback and respond to concerns raised regarding the Project. Pathways continues to meet one-on-one with Indigenous groups to respond to concerns and discuss mitigation measures.

Plan for Response to Information Request

Pathways remains fully committed to providing a single-document response to the Information Request and participating in the designation request process.

To balance the need for the above information to respond to the Information Request with the suspension currently in place, Pathways plans to provide its Information Request response to IAAC a month following the later of the completion of the Definitive Agreements or the completion of the CSA by the Government of Alberta and Pathways.

Without a finalized Directive 065 submission for the Storage Hub and Directive 056 pipeline license application for the CO_2 Transportation Network, Pathways will not be able to provide definitive responses to the full Information Request within the above timeframe, as would be its preference and which would provide the best information on which IAAC could rely on. However, given the length of the suspension to date, Pathways views this timing and approach as a reasonable balance between technical certainty and the requestors' calls to unsuspend the IAA process.

Should you have any questions or wish to discuss this matter further, please do not hesitate to contact us.

Best regards,
Canadian Natural Resources Limited

<original signed by>

Nicholas Gafuik
Vice President, Regulatory Affairs